



**SECOND  
QUARTER  
REPORT**

2024



**KONGBERG**  
AUTOMOTIVE

## THE SECOND QUARTER 2024 EXECUTIVE SUMMARY

KONGSBERG AUTOMOTIVE (KA) REPORTS PROFIT IMPROVEMENT IN Q2; CHALLENGING MARKET LEADS TO REVISED FULL YEAR GUIDANCE. LONG-TERM GROWTH PROSPECTS IMPROVED BY RECORD HIGH BUSINESS WINS.

### COMMENTS FROM LINDA NYQUIST-EVENRUD, PRESIDENT & CEO



*In the second quarter of 2024, we report an EBIT result of MEUR 6.4, an improvement of MEUR 18.9 MEUR vs. negative MEUR 12.5 last year.*

*I am happy to report improved results in the currently challenging automotive market. Even though the result of Q2 2023 was impacted by negative one-time effects, our efforts to reduce the cost base in both manufacturing and administration are yielding positive results. The improvement in operational KPIs compared to last year is also encouraging.*

*We are delivering on the cost optimization program that we launched in 2023. These sustainable cost savings are valuable contributions in the presently weaker market situation.*

*The automotive market, especially the commercial vehicle market in Europe, declined in the quarter. In the first half of the year, commercial vehicle production outside China lowered by around 4% versus last year.*

*Despite these challenging market conditions, our book-to-bill increased to a record high of 2.1. New Business Wins in the quarter amounted to MEUR 695 totaling MEUR 1,144 in the first half year, compared to a total of MEUR 369 in first half of 2023.*

---

### **We continue to build a strong base for KA's future growth with new customer programs coming into production**

---

*In June 2024, we successfully completed the issuance of new NORDIC four-year bond notes amounting to MEUR 110, which allowed us to fully refinance the old Euro bonds. This will keep our interest costs at a similar level like with the old bond, which is part of meeting the financial targets outlined in Q1 2024.*

*Free cash flow was MEUR -4.4 in the quarter; having adjusted for accelerated payment of outstanding interest on the old Euro bond, free cash flow was positive in the second quarter. We continue to have a strong focus on delivering positive free cash flow for the full year.*

*In this quarter we successfully held the Capital Markets Day, where we confirmed our financial ambitions for 2028 of revenues above EUR 1.0 bn and EBIT margin at or above 8.5 %. We emphasized the significance of innovation and continuous improvements and the strategic aim to become a technology leader within our core business areas.*

*In the second quarter we released our 2023 Sustainability Report. One of the significant highlights was that KA achieved its best safety performance in the past 10 years with only nine reported injuries. We have also*

successfully improved our CDP Climate Change Rating to a B- score. Additionally, our Ljungsarp, Sweden plant has become the first plant to operate with zero Scope 1 and 2 CO<sub>2</sub>e emissions.

Furthermore, we have reestablished the company's headquarters in Kongsberg, Norway, and operate out of Kongsberg, going forward.

We have recently observed further volume reductions in our customers production programs in Europe and Asia, amplified by the generally weak economic climate. While the commercial vehicles market in North America remained stable in the first half of 2024, it is weakening in second half of the year due to economic uncertainty and the upcoming presidential elections.

Based on these recent market developments we are adjusting our 2024 full year revenue guidance to the range of MEUR 790-830 (previous 830-880) and are adjusting our EBIT guidance to the range of MEUR 28-35 (previous MEUR 34-44). Based on the strong New Business Wins also in the second quarter we are adjusting our guidance to MEUR > 1,500 (previous MEUR >1,200) and book-to-bill ratio to >1.5 (previous >1.2).

Our improved performance during the last year makes me confident that we are heading in the right direction. I attribute our success to the efforts of our employees who are committed to delivering quality products to our customers and working together to better position KA as a competitive company.

## FINANCIAL HIGHLIGHTS Q2 2024

- > REVENUES MEUR 209.3 (MEUR 224.5)
- > EBIT MEUR 6.4 (MEUR -12.5)
- > NET RESULT AFTER TAX MEUR 3.7 (MEUR -21.7)
- > FREE CASH FLOW MEUR -4.4\* (MEUR 4.8)
- > NEW BUSINESS WINS MEUR 694.8 LIFETIME AND MEUR 146.7 ANNUALIZED REVENUES (MEUR 171.5 AND MEUR 76.6)

## FINANCIAL HIGHLIGHTS FIRST HALF OF 2024

- > REVENUES MEUR 421.4 (MEUR 453.3)
- > EBIT MEUR 16.5 (MEUR -8.9)
- > NET RESULT AFTER TAX MEUR 3.3 (MEUR -38.6)
- > FREE CASH FLOW MEUR -19.3 (MEUR -26.0)
- > NEW BUSINESS WINS MEUR 1,144.8 LIFETIME AND MEUR 272.9 ANNUALIZED REVENUES (MEUR 369.5 AND MEUR 147.9)

\* The payment for interests on old bond notes amounting to MEUR 4.5 was advanced to Q2 2024 (as part of the repayment of the old bond notes) that been made in Q3 2024 otherwise.

## GUIDANCE FOR 2024

(MEUR)	Updated Guidance			Previous Guidance		
	Core Business Areas	Other operations	Full Group	Core Business Areas	Other operations	Full Group
<b>Guidance</b>						
Revenues	670-700	120-130	790-830	710-740	120-140	830-880
EBIT	25-30	3-5	28-35	39-44	(5)-0	34-44
New Business Wins	N/A	N/A	>1,500	N/A	N/A	>1,200
Book-to-Bill ratio	N/A	N/A	>1.5	N/A	N/A	>1.2

## KEY FIGURES

(MEUR)	Q2 2024	Q2 2023	YTD 2024	YTD 2023	FY 2023
<b>Sales/Earnings</b>					
1 Operating revenues	209.3	224.5	421.4	453.3	884.9
2 Growth in sales (adjusted for currency effects)	(7.4)%	4.0%	(7.0)%	(9.1)%	1.9%
3 Operating profit/(loss) (EBIT)	6.4	(12.5)	16.5	(8.9)	(19.7)
4 EBIT margin(%)	3.1%	(5.6)%	3.9%	(2.0)%	(2.2)%
5 Adjusted EBIT	7.9	0.3	19.5	4.4	23.7
6 Adjusted EBIT margin(%)	3.8%	0.1%	4.6%	1.0%	2.7%
7 EBITDA	13.5	(4.1)	30.8	7.9	13.2
8 EBITDA margin(%)	6.5%	(1.8)%	7.3%	1.7%	1.5%
9 Adjusted EBITDA	15.0	8.7	33.8	21.2	56.6
10 Adjusted EBITDA margin(%)	7.2%	3.9%	8.0%	4.7%	6.4%
11 Net income	3.7	(21.7)	3.3	(38.6)	(59.1)
<b>Cash flow</b>					
12 Cash flow from (used by) operating activities	8.7	12.7	6.8	3.1	21.5
13 Cash flow from (used by) investing activities	(4.1)	(4.6)	(9.4)	(10.8)	(29.1)
14 Cash flow from (used by) financing activities	(65.3)	(7.6)	(76.2)	(19.1)	(39.7)
15 Free cash flow	(4.4)	4.8	(19.3)	(26.0)	(34.9)
<b>Balance sheet</b>					
16 Balance sheet total	646.2	768.2	646.2	768.2	721.5
17 Equity	221.5	243.3	221.5	243.3	218.1
18 Equity ratio (%)	34.3%	31.7%	34.3%	31.7%	30.2%
19 Net interest-bearing debt	116.5	77.4	116.5	77.4	100.2
20 Leverage ratio	1.7	1.2	1.7	1.2	1.8
21 Capital employed*	340.2	341.9	340.2	341.9	319.9
22 Return on capital employed (%) (LTM)*	1.7%	11.6%	1.7%	11.6%	(5.9)%
23 Liquidity reserve	100.3	255.3	100.3	255.3	219.2
<b>Personnel</b>					
24 Employees (as at end of quarter)	5,015	5,387	5,015	5,387	5,286
<b>New Business Wins</b>					
25 Annualized new business wins	146.7	76.6	272.9	147.9	296.9
26 Lifetime new business wins	694.8	171.5	1,144.8	369.5	989.4

\* Definitions of Capital Employed and Return on capital employed have been changed in Q1 2024 (see APM section); figures in 2023 adjusted accordingly.

### DEFINITIONS

4 EBIT / Operating revenues	18 Equity / Balance sheet total
6 Adjusted EBIT / Operating revenues	20 NIBD / Adjusted EBITDA (LTM)
8 (EBIT + depreciation and amortization) / Operating revenues	21 Intangible Assets + PPE's + Right-of-use assets + Net Working Capital - Lease liabilities
10 Adjusted EBITDA / Operating revenues	22 EBIT (LTM) / Average capital employed
15 Net change in cash - sum of draw-down/repayment of debt, proceeds received from capital increase and purchase of treasury shares	23 Cash + Unutilized revolving credit facility + Accounts receivable securitization facility (excl. restricted cash)

# GROUP FINANCIALS

## SELECTED FINANCIAL INFORMATION – PROFIT AND LOSS

(MEUR)	Q2 2024	Q2 2023	YTD 2024	YTD 2023	FY 2023
<b>Revenues</b>	<b>209.3</b>	<b>224.5</b>	<b>421.4</b>	<b>453.3</b>	<b>884.9</b>
Other income	0.2	1.0	3.0	1.3	1.5
OPEX	(196.0)	(219.0)	(393.6)	(436.1)	(846.2)
Impairment losses	0.0	(10.6)	0.0	(10.6)	(27.0)
<b>EBITDA</b>	<b>13.5</b>	<b>(4.1)</b>	<b>30.8</b>	<b>7.9</b>	<b>13.2</b>
<i>in % revenues</i>	6.5%	-1.8%	7.3%	1.7%	1.5%
Depreciation and amortization	(7.1)	(8.4)	(14.3)	(16.8)	(32.9)
<b>Operating profit (loss) / EBIT</b>	<b>6.4</b>	<b>(12.5)</b>	<b>16.5</b>	<b>(8.9)</b>	<b>(19.7)</b>
<i>in % revenues</i>	3.1%	-5.6%	3.9%	-2.0%	-2.2%
<b>Adjusted EBIT<sup>1</sup></b>	<b>7.9</b>	<b>0.3</b>	<b>19.5</b>	<b>4.4</b>	<b>23.7</b>
<i>in % revenues</i>	3.8%	0.1%	4.6%	1.0%	2.7%
Net financial items	(0.9)	(6.7)	(6.4)	(21.1)	(26.0)
<b>Profit / (loss) before taxes</b>	<b>5.5</b>	<b>(19.2)</b>	<b>10.1</b>	<b>(30.0)</b>	<b>(45.7)</b>
Income taxes	(1.8)	(2.5)	(6.9)	(8.6)	(13.4)
<b>Net profit / (loss)</b>	<b>3.7</b>	<b>(21.7)</b>	<b>3.3</b>	<b>(38.6)</b>	<b>(59.1)</b>

<sup>1</sup> See APM section for the reconciliation.

### REVENUES

Group revenues totaled to MEUR 209.3 in the second quarter of 2024, a decrease of MEUR 15.2 (-6.8%) compared to Q2 2023, despite positive currency translation effects of MEUR 1.4. This was to a great extent due to the declining commercial vehicle market in Europe, partially mitigated by the solid growth in the commercial vehicle market in the Americas.

In the commercial vehicles market, revenues amounted to MEUR 108.9, or MEUR 108.1 at constant currencies, reflecting a decrease of MEUR 8.5 (-7.3%) compared to Q2 2023 (despite positive currency translation effects of MEUR 0.8). This is mainly due to Europe, where revenues declined by MEUR 10.0 (-15.5% in constant currencies) from an exceptional high MEUR 65.0 to MEUR 55.8, reflecting the decreasing production output in Europe (-9.3%). In addition, last year's revenue level was boosted by a ramp up with an important customer. In the Americas, revenues increased by MEUR 2.4 (+6.2%) to MEUR 41.1 at constant currencies, outperforming the market which grew by 2.1%. In Asia (including China), revenues were MEUR 12.0 in Q2 2024, representing a decline of MEUR 0.8 (-6.3%) compared to Q2 2023 at constant currencies while the production output grew by 6.8%.

Revenues from the passenger car market totaled MEUR 67.2, or MEUR 66.9 at constant currencies, representing a decrease of MEUR 3.6 (-5.1%) compared to Q2 2023. This is also reflecting the decision of winding down the DRL business. In Europe, revenues amounted to MEUR 27.7, down by MEUR 1.7 (-5.8%) compared to Q2 2023 in constant currencies, while the market decline was slightly less at 5.0%. Revenues in the Americas were MEUR 30.4 in Q2 2024 and remained stable at constant currencies, which was slightly above the market performance as it shrank by 0.6%. In Asia (incl. China) revenues amounted to MEUR 9.1, showing a decrease of MEUR 1.9

(-17.4%) at constant currencies, despite a 3.3% growth in production output in this region.

The revenues generated in other markets (mainly off-road applications for various industries) amounted to MEUR 33.2 in Q2 2024, MEUR 32.9 at constant currencies respectively, compared to MEUR 37.5 in Q2 2023 mainly in line with softening market.

### EBIT

Despite the lower topline, EBIT in Q2 2024 amounted to MEUR 6.4 and exceeded the operating result of negative MEUR 12.5 as of Q2 2023 which was impacted by the impairment on non-current assets of former Driveline Business of MEUR 10.6 (non-core business), along with negative one-time effects of MEUR 5.4.

The impact from reduced topline was partially mitigated by favorable product mix effects, but more than offset by reduced manufacturing costs as well as savings of administrative expenses compared to Q2 2023 (positive effects of the cost optimization program announced in Q4 2023), slightly offset by one-time effects of net MEUR -2.2.

### PROFIT (LOSS) BEFORE TAXES / NET PROFIT (LOSS)

On the back of improved net financial items, especially due to more favorable currency result profit before taxes amounted to MEUR 5.5 in the second quarter of 2024, compared to loss before taxes of MEUR 19.2 in the same quarter of 2023. Income tax expense of Q2 2024 included withholding taxes related to Intercompany dividends at MEUR 1.3, whereas in Q2 2023 deferred tax assets on losses could not be recognized. Net profit amounted to MEUR 3.7 in Q2 2024, compared to a net loss of MEUR 21.7 in Q2 2023.

# GROUP FINANCIALS

## SELECTED FINANCIAL INFORMATION - CASH FLOW

(MEUR)	Q2 2024	Q2 2023	YTD 2024	YTD 2023	FY 2023
Cash flow - Operating activities	8.7	12.7	6.8	3.1	21.5
Cash flow - Investing activities	(4.1)	(4.6)	(9.4)	(10.8)	(29.1)
Cash flow - Financing activities	(65.3)	(7.6)	(76.2)	(19.1)	(39.7)
Currency and translation effects on cash flow	(1.2)	0.6	(0.1)	(5.3)	(0.9)
Change in cash	(61.9)	1.1	(78.9)	(32.1)	(48.2)
Cash as of beginning of period	147.7	179.7	164.7	212.9	212.9
<b>Cash as of end of period</b>	<b>85.8</b>	<b>180.8</b>	<b>85.8</b>	<b>180.8</b>	<b>164.7</b>
<i>Of this, restricted cash</i>	<i>0.5</i>	<i>0.5</i>	<i>0.5</i>	<i>0.5</i>	<i>0.5</i>

### CASH FLOW USED BY OPERATING ACTIVITIES

Kongsberg Automotive generated net cash from operating activities of MEUR 8.7 in the second quarter of 2024, compared to positive operating cash flow of MEUR 12.7 in Q2 2023. Tax payments in Q2 2024 amounted to MEUR 4.4 which was MEUR 1.7 higher than in the previous year's second quarter mainly due to the withholding tax paid on the Intercompany dividends in Q2 2024. In addition, the change in Net Working Capital (NWC) resulted in an operating cash outflow of MEUR 7.2, while in Q2 2023 the positive change in NWC of MEUR 2.5, mainly driven by change in accounts payables.

### CASH FLOW USED BY INVESTING ACTIVITIES

Cash flow used by investing activities amounted to MEUR 4.1 in Q2 2024 compared to MEUR 4.6 in Q2 2023. While the cash flows used for investments in tangible and intangible assets at the amount of MEUR 5.0 in Q2 2024 were lower by MEUR 0.1 than in Q2 2023, the interest and other financial income was higher by MEUR 0.3.

### CASH FLOW USED BY FINANCING ACTIVITIES

Cash flow used by financing activities was MEUR 65.3 in the second quarter of 2024, compared to MEUR 7.6 in the same quarter last year.

In Q2 2024, Kongsberg Automotive successfully completed the issuance of the new senior secured four-year bonds in the Nordic Market, with an initial issue amount of MEUR 110.0, which led, after deduction of fees, to a net cash inflow of

MEUR 108.0. The repayment of the outstanding old bond notes was completed by the end of June 2024, resulting in the cash outflow of MEUR 190.2. As part of cash balance was not accessible, the Account Receivables securitization facility (see note 4) was drawn at MEUR 25.0. As part of the repayment of the old bond notes, the payment for outstanding interest amounting to MEUR 4.5 was accelerated and paid in Q2 2024 instead of Q3. Going forward, the current bond's payments for interests are due on a quarterly basis.

In Q2 2024, the repayments of lease liabilities and interest on lease liabilities amounted to MEUR 1.9 and MEUR 1.1, respectively, which was slightly lower than in Q2 2023.

### CHANGE IN CASH

As a result, the cash balance changed from MEUR 164.7 as of December 31, 2023, to MEUR 85.8 at the end of the second quarter of 2024.

### LIQUIDITY RESERVE

The liquidity reserve was MEUR 100.3 (excluding the restricted cash of MEUR 0.5) at the end of the second quarter 2024, compared to MEUR 219.2 as of December 31, 2023. As of Q2 2024, the liquidity reserve consisted of MEUR 85.8 of cash and cash equivalents and RCF of MEUR 15.0 which got reduced as part of the issuance of the new senior secured bond notes.

# GROUP FINANCIALS

## SELECTED FINANCIAL INFORMATION – FINANCIAL POSITION

(MEUR)	30.06.24	30.06.23	31.12.23
Non-current assets	261.4	263.7	264.6
Cash and cash equivalents	85.8	180.8	164.7
Other current assets	299.0	323.7	292.2
<b>Total assets</b>	<b>646.2</b>	<b>768.2</b>	<b>721.5</b>
Equity	221.5	243.3	218.1
Interest-bearing liabilities	202.3	258.2	264.9
Other liabilities	222.4	266.7	238.5
<b>Total equity and liabilities</b>	<b>646.2</b>	<b>768.2</b>	<b>721.5</b>
Net working capital (NWC)	163.0	155.0	146.4
NIBD	116.5	77.4	100.2
Equity ratio	34.3%	31.7%	30.2%

### ASSETS

Total assets were MEUR 646.2 at the end of the second quarter of 2024, a decrease of MEUR 75.3 (-9.8%) from year-end 2023. The total net book value of property, plant and equipment, intangible assets and right-of-use assets decreased by MEUR 2.6 to MEUR 246.5, compared to year-end 2023, mainly due to the lease terminations and depreciation and amortization, partially offset by the additions/investments.

In total, the Group recognized additions from investments in property, plant, and equipment (excluding additions from leases) and intangible assets of MEUR 5.0 (Q2 2023: MEUR 5.1).

Current assets amounted to MEUR 384.8 in Q2 2024 compared to MEUR 456.9 as of year-end 2023. The decrease was mainly driven by the decline in cash balance of MEUR 78.9 compared to December 31, 2023, predominantly resulting from the financing activities.

### NET WORKING CAPITAL

Net working capital, which encompasses inventories and account receivables less account payables, totaled MEUR 163.0 as of June 30, 2024, marking an increase of MEUR 8.0 (+10.7%) compared to June 30, 2023. This increase was primarily driven by a significant reduction in account payables by MEUR 29.9, partially offset by decreases in inventories and account receivables by MEUR 5.0 and MEUR 16.9, respectively, compared to Q2 2023.

As a percentage of revenues for the past twelve months, the net working capital ratio as of June 30, 2024, was 19.1%, compared to 16.9% and 16.5% as of June 30, 2023, and year-end 2023, respectively. With inventories and account receivables remaining at a comparable level, the change was driven by lower account payables in percentage of revenues.

### EQUITY

Equity as of June 30, 2024, increased by MEUR 3.4 (+1.6%) to MEUR 221.5 in comparison with December 31, 2023.

In the first six months of 2024, the net profit of MEUR 3.3 and positive other comprehensive income of MEUR 3.1 resulted in total comprehensive income of MEUR 6.4. The other comprehensive income of MEUR 3.1 in this period resulted from positive translation differences on foreign operations of MEUR 6.5 exceeding the negative translation differences on non-foreign operations of MEUR 3.4, of which negative MEUR 3.6 were attributable to share capital, share premium and treasury shares. In Q1 2024, Kongsberg Automotive repurchased its own shares, which led to the change in equity of MEUR 2.4. Furthermore, the dividend of MEUR 0.6 allocated to the minority shareholder contributed to the change of the equity as of June 30, 2024.

### INTEREST BEARING LIABILITIES

In Q2 2024, total interest-bearing liabilities amounted to MEUR 202.3, consisting mainly of the new senior secured bonds of MEUR 108.0 (MEUR 110.0 after netting with the unamortized capitalized arrangement fees of MEUR 2.0), drawn Securitization facility of MEUR 25.0 and lease interest-bearing liabilities of MEUR 69.3.

As of June 30, 2024, long-term interest-bearing debt amounted to MEUR 193.0.

### NET INTEREST BEARING DEBT

At the end of the second quarter of 2024, net interest-bearing debt amounted to MEUR 116.5, an increase of MEUR 16.3 compared to year-end 2023, primarily driven by the negative free cash flow in Q1 2024 and the payment for interests on old bond notes accelerated in Q2 2024.

# DRIVE CONTROL SYSTEMS

## SEGMENT REPORTING

Drive Control Systems develops and manufactures a comprehensive range of drive control products for heavy and light duty vehicles, including clutch actuation systems, advanced vehicle systems, operator control systems for construction, agriculture, outdoor power equipment and power electronics-based products.

Drive Control Systems serves the commercial vehicle, and the off-highway and passenger car markets, with particularly strong positions in Europe and the Americas. With a global footprint, Drive Control Systems can support customers worldwide. Key customers include Volvo, Scania, Eaton, Traton, Changan Group, FAW Group, Club Car and Paccar.

## KEY FIGURES<sup>1</sup>

(MEUR)	Q2 2024	Q2 2023	YTD 2024	YTD 2023	FY 2023
<b>Revenues</b>	<b>95.6</b>	<b>105.3</b>	<b>188.0</b>	<b>208.0</b>	<b>410.4</b>
EBITDA	8.3	3.4	17.5	9.9	33.3
<i>in % revenues</i>	8.7%	3.2%	9.3%	4.8%	8.1%
<b>Operating profit (loss)/ EBIT</b>	<b>4.9</b>	<b>0.1</b>	<b>10.8</b>	<b>3.2</b>	<b>19.7</b>
<i>in % revenues</i>	5.1%	0.1%	5.7%	1.5%	4.8%
Adjusting and restructuring items	(0.1)	(0.2)	(0.4)	(0.4)	(1.3)
<b>Adjusted EBIT</b>	<b>5.0</b>	<b>0.3</b>	<b>11.2</b>	<b>3.6</b>	<b>21.0</b>
<i>in % revenues</i>	5.2%	0.3%	6.0%	1.7%	5.1%
Investments	(1.9)	(2.4)	(5.1)	(4.9)	(11.8)
Capital employed <sup>2</sup>	150.9	141.8	150.9	141.8	144.6

<sup>1</sup> Figures in 2023 were restated due to implementation of new segment structure as announced in Q4 2023

<sup>2</sup> Includes intangible assets, PP&E, right-of-use assets, inventories, trade receivables less trade payables and lease liabilities

## FINANCIAL UPDATE

Revenues in Drive Control Systems decreased by MEUR 9.7 (-9.2%) to MEUR 95.6 in the second quarter of 2024 compared to Q2 2023, despite positive currency translation effects of MEUR 0.6. On a constant currency basis, Q2 2024 revenues in the commercial vehicles market decreased by MEUR 5.2 compared to Q2 2023 on a constant currency basis, which was driven by decline in the European and Asian commercial vehicle markets of MEUR 6.6 and MEUR 0.5, respectively, partially offset by the increase of 1.8 in the Americas. Revenues in the passenger car market declined by MEUR 1.0 on a constant currency basis, which was mainly driven by the decrease in Europe and China of MEUR 0.4 and MEUR 0.6, respectively. In Off-Highway, revenues amounted to MEUR 18.0 and were lower by MEUR 4.1 (at constant currencies), which was mainly due to the decline of MEUR 2.6 in the North American market.

EBIT amounted to MEUR 4.9 in the second quarter 2024, an increase of MEUR 4.8 compared to Q2 last year. The impact of

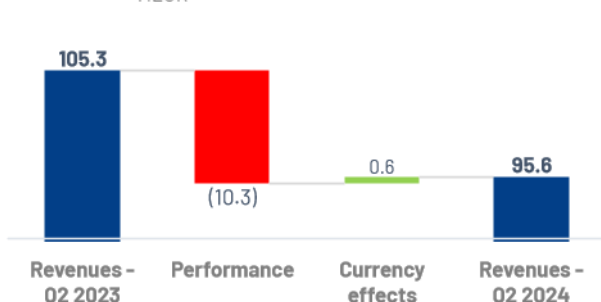
declining volumes was mitigated by favorable product mix and lower warranty expenses than in Q2 2023, but more than offset by benefits from operational improvements in variable costs and other operational costs.

## COMMERCIAL AND OPERATIONAL UPDATE

Business wins amounted to MEUR 624.5 of lifetime revenues (MEUR 125.2 in annualized revenues) in the second quarter of 2024.

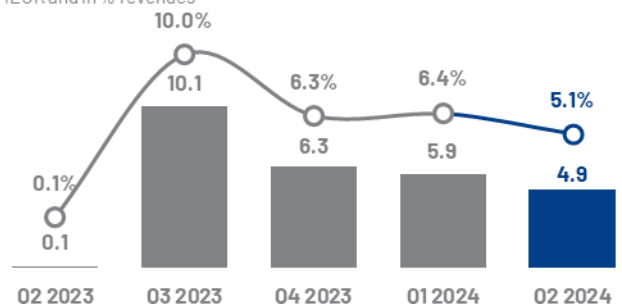
Within the quarter, Drive Control Systems was awarded by a leading American OEM a large contract extension worth MEUR 523.0 in expected lifetime revenues and MEUR 105.0 in expected annual revenues to supply the Gear Control Unit with integrated clutch actuator. Furthermore, Kongsberg Automotive has won a new contract worth over MEUR 55.0 in expected lifetime revenues and MEUR 7.0 in expected annual revenue to supply the Dog Clutch Actuator (DCA) to one of the leading OEM based in China.

External Revenues Bridge - DCS  
MEUR



EBIT - DCS

MEUR and in % revenues





# FLOW CONTROL SYSTEMS

## SEGMENT REPORTING

Flow Control Systems designs and manufactures fluid handling systems for both the automotive and commercial vehicle markets, as well as industrial applications, couplings systems for compressed-air circuits in heavy-duty vehicles.

Key customers include Volvo Trucks/Group, Jaguar Land Rover, Scania, Martinrea, Paccar/DAF, Mercedes Benz, ZF, Renault Trucks, and several Tier 1 customers in addition to an industrial customer base.

## KEY FIGURES<sup>1</sup>

(MEUR)	Q2 2024	Q2 2023	YTD 2024	YTD 2023	FY 2023
<b>Revenues</b>	<b>79.7</b>	<b>79.1</b>	<b>162.4</b>	<b>163.3</b>	<b>313.0</b>
EBITDA	8.5	9.7	16.4	20.3	40.9
<i>in % revenues</i>	10.7%	12.3%	10.1%	12.4%	13.1%
<b>Operating profit / EBIT</b>	<b>5.3</b>	<b>6.7</b>	<b>9.8</b>	<b>14.3</b>	<b>28.8</b>
<i>in % revenues</i>	6.6%	8.5%	6.0%	8.8%	9.2%
Adjusting and restructuring items	(0.2)	(0.1)	(0.2)	(0.1)	(0.6)
<b>Adjusted EBIT</b>	<b>5.5</b>	<b>6.8</b>	<b>10.0</b>	<b>14.4</b>	<b>29.4</b>
<i>in % revenues</i>	6.9%	8.6%	6.2%	8.8%	9.4%
Investments	(3.0)	(2.0)	(5.7)	(5.6)	(14.1)
Capital employed <sup>2</sup>	183.3	173.0	183.3	173.0	170.2

<sup>1</sup> Figures in 2023 were restated due to implementation of new segment structure as announced in Q4 2023

<sup>2</sup> Includes intangible assets, PP&E, right-of-use assets, inventories, trade receivables less trade payables and lease liabilities

## FINANCIAL UPDATE

Revenues in Flow Control Systems increased by MEUR 0.6 (0.8%) to MEUR 79.7 compared to the second quarter of 2023, including positive currency translation effects of MEUR 0.7. Increase in revenues of Fluid Transfer Systems at MEUR 1.9 at constant currencies was offset by the decline of the Couplings' revenues at MEUR 2.0 at constant currencies. Flow Control Systems' revenues in Europe and Americas decreased by MEUR 0.7 and MEUR 0.3, respectively, at constant currencies, and were offset by the increase of MEUR 0.8 in Asia (incl. China).

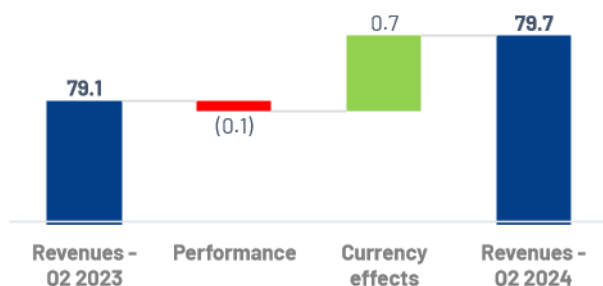
EBIT was MEUR 5.3 in the second quarter of 2024, a decline of MEUR 1.4 (-21.4%) compared to the same quarter of last year. Last year's Q2 EBIT was positively impacted by the one-time customer reimbursement while the operational improvements in Q2 2024 were partially offset by unfavorable product mix.

## COMMERCIAL AND OPERATIONAL UPDATE

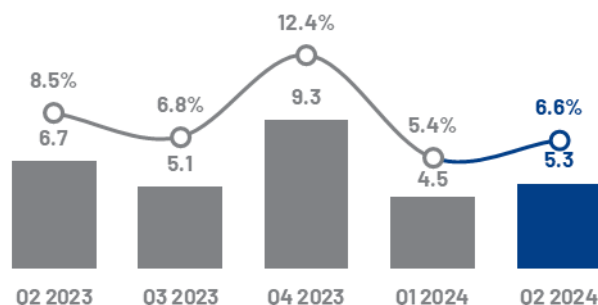
During the second quarter 2024, total business wins amounted to MEUR 70.3 of lifetime revenues (MEUR 21.5 in annualized revenues).

Within the quarter, Flow Control Systems was awarded by a global power technology manufacturer a large contract extension worth MEUR 38.0 in expected lifetime revenues (MEUR 4.2 in expected annual revenues) to supply technical hose assemblies used with coolant, fuel, and oil transfer applications. Moreover, Kongsberg Automotive has secured a new contract with a global OEM worth MEUR 13.0 in expected lifetime revenues and MEUR 4.4 in expected annual revenues to supply battery coolant pipes.

External Revenues Bridge - FCS  
MEUR



EBIT - FCS  
MEUR and in % revenues



# CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

## STATEMENT OF COMPREHENSIVE INCOME

(MEUR)	Q2 2024	Q2 2023	YTD 2024	YTD 2023	FY 2023
<b>Revenues</b>	<b>209.3</b>	<b>224.5</b>	<b>421.4</b>	<b>453.3</b>	<b>884.9</b>
Other income	0.2	1.0	3.0	1.3	1.5
OPEX	(196.0)	(219.0)	(393.6)	(436.1)	(846.2)
Impairment losses	0.0	(10.6)	0.0	(10.6)	(27.0)
<b>EBITDA</b>	<b>13.5</b>	<b>(4.1)</b>	<b>30.8</b>	<b>7.9</b>	<b>13.2</b>
<i>in % revenues</i>	6.5%	-1.8%	7.3%	1.7%	1.5%
Depreciation and amortization	(7.1)	(8.4)	(14.3)	(16.8)	(32.9)
<b>Operating profit (loss) / EBIT</b>	<b>6.4</b>	<b>(12.5)</b>	<b>16.5</b>	<b>(8.9)</b>	<b>(19.7)</b>
<i>in % revenues</i>	3.1%	-5.6%	3.9%	-2.0%	-2.2%
Net financial items	(0.9)	(6.7)	(6.4)	(21.1)	(26.0)
<b>Profit / (loss) before taxes</b>	<b>5.5</b>	<b>(19.2)</b>	<b>10.1</b>	<b>(30.0)</b>	<b>(45.7)</b>
Income taxes	(1.8)	(2.5)	(6.9)	(8.6)	(13.4)
<b>Net profit / (loss)</b>	<b>3.7</b>	<b>(21.7)</b>	<b>3.3</b>	<b>(38.6)</b>	<b>(59.1)</b>
<i>Other comprehensive income (items that may be reclassified to profit or loss in subsequent periods):</i>					
Translation differences on foreign operations	(9.6)	11.7	6.5	50.3	31.8
<i>Other comprehensive income (items that will not be reclassified to profit or loss in subsequent periods):</i>					
Translation differences on non-foreign operations	6.9	(11.4)	(3.4)	(46.9)	(32.3)
Remeasurement of net pension benefit obligation	0.0	0.0	0.0	0.0	(0.5)
Tax on net pension benefit obligation remeasurement	0.0	0.0	0.0	0.0	0.1
Other comprehensive income	(2.7)	0.3	3.1	3.4	(0.9)
<b>Total comprehensive income</b>	<b>1.0</b>	<b>(21.4)</b>	<b>6.4</b>	<b>(35.2)</b>	<b>(60.0)</b>
Net profit attributable to:					
Equity holders (parent company)	3.7	(21.9)	3.3	(38.9)	(59.5)
Non-controlling interests	0.0	0.2	0.0	0.3	0.4
<b>Total</b>	<b>3.7</b>	<b>(21.7)</b>	<b>3.3</b>	<b>(38.6)</b>	<b>(59.1)</b>
Total comprehensive income attributable to:					
Equity holders (parent company)	1.0	(21.3)	6.4	(35.2)	(60.1)
Non-controlling interests	0.0	(0.1)	0.0	0.0	0.1
<b>Total</b>	<b>1.0</b>	<b>(21.4)</b>	<b>6.4</b>	<b>(35.2)</b>	<b>(60.0)</b>
<b>Earnings per share (EUR):</b>					
Basic earnings per share	0.00	(0.02)	0.00	(0.04)	(0.06)
Diluted earnings per share	0.00	(0.02)	0.00	(0.04)	(0.06)

# CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

## STATEMENT OF CASH FLOW

(MEUR)	Q2 2024	Q2 2023	YTD 2024	YTD 2023	FY 2023
<i>Operating activities</i>					
Profit / (loss) before taxes	5.5	(19.2)	10.1	(30.0)	(45.7)
Depreciation	6.9	8.2	13.9	16.3	31.9
Amortization	0.2	0.2	0.4	0.5	1.0
Impairment losses	0.0	10.6	(1.1)	10.6	27.0
Interest and other financial income	(0.8)	(0.5)	(1.8)	(1.2)	(1.9)
Interest and other financial expenses	5.2	3.6	9.2	7.6	16.9
Taxes paid	(4.4)	(2.7)	(6.1)	(11.5)	(14.7)
(Gain) / loss on sale of non-current assets	0.0	(0.7)	(0.1)	(0.7)	(0.8)
Changes in receivables	1.4	(5.6)	(10.3)	(22.1)	5.0
Changes in inventory	(1.6)	2.1	3.6	(6.4)	(5.0)
Changes in payables	(7.0)	6.0	(9.9)	14.7	(5.3)
Currency (gain) / loss	(3.5)	(0.1)	0.3	10.6	5.7
Difference between pension funding contributions paid/pensions paid and the net pension cost	0.0	0.1	0.0	0.1	(1.2)
Changes in other items <sup>1</sup>	6.8	10.7	(1.4)	14.6	8.6
<b>Cash flow - Operating activities</b>	<b>8.7</b>	<b>12.7</b>	<b>6.8</b>	<b>3.1</b>	<b>21.5</b>
<i>Investing activities</i>					
Investments	(5.0)	(5.1)	(11.0)	(11.9)	(28.5)
Sale of tangible and intangible assets	0.1	0.0	0.2	0.0	0.8
Interest received and other financial items	0.8	0.5	1.9	1.1	1.2
Investments / Loans in associates/other	0.0	0.0	(0.5)	0.0	(2.6)
<b>Cash flow - Investing activities</b>	<b>(4.1)</b>	<b>(4.6)</b>	<b>(9.4)</b>	<b>(10.8)</b>	<b>(29.1)</b>
<i>Financing activities</i>					
Purchase of treasury shares	0.0	0.0	(2.4)	(2.5)	(3.9)
Net proceeds from issuing the new bond notes	108.0	0.0	108.0	0.0	0.0
Payments for redemption of the old bond notes	(190.2)	(3.5)	(190.2)	(3.5)	(9.4)
Securitization facility drawn / (repaid)	25.0	0.0	25.0	0.0	0.0
Other debt drawn / (repaid)	(0.3)	(0.2)	0.0	(0.1)	0.0
Interest paid and other financial items	(5.9)	(1.6)	(12.4)	(8.4)	(16.6)
Repayment of lease liabilities and other	(1.9)	(2.3)	(4.2)	(4.6)	(9.8)
<b>Cash flow - Financing activities</b>	<b>(65.3)</b>	<b>(7.6)</b>	<b>(76.2)</b>	<b>(19.1)</b>	<b>(39.7)</b>
Currency and translation effects on cash flow	(1.2)	0.6	(0.1)	(5.3)	(0.9)
Change in cash	(61.9)	1.1	(78.9)	(32.1)	(48.2)
Cash as of beginning of period	147.7	179.7	164.7	212.9	212.9
<b>Cash as of end of period</b>	<b>85.8</b>	<b>180.8</b>	<b>85.8</b>	<b>180.8</b>	<b>164.7</b>
<i>Of this, restricted cash</i>	<i>0.5</i>	<i>0.5</i>	<i>0.5</i>	<i>0.5</i>	<i>0.5</i>

<sup>1</sup> Includes changes in accruals, provisions, contract assets and contract liabilities, other current receivables like receivables from public duties, customer developments and prepaid expense, and other non-current assets

# CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

## STATEMENT OF FINANCIAL POSITION

(MEUR)	30.06.24	30.06.23	31.12.23
Intangible assets	81.2	77.7	78.3
Property, plant and equipment	116.4	121.9	115.8
Right-of-use assets	48.9	50.8	55.0
Deferred tax assets	10.9	11.8	11.4
Other non-current assets	4.0	1.5	4.1
<b>Non-current assets</b>	<b>261.4</b>	<b>263.7</b>	<b>264.6</b>
Inventories	97.9	102.9	101.5
Accounts receivable	171.8	188.7	161.5
Other short-term receivables	29.3	32.1	29.2
Cash and cash equivalents	85.8	180.8	164.7
<b>Current assets</b>	<b>384.8</b>	<b>504.5</b>	<b>456.9</b>
<b>Total assets</b>	<b>646.2</b>	<b>768.2</b>	<b>721.5</b>
Share capital	83.4	90.1	84.6
Treasury shares	(5.4)	(23.7)	(3.2)
Share premium	178.0	187.1	180.6
Other equity	(38.4)	(14.6)	(48.3)
Non-controlling interests	3.9	4.4	4.4
<b>Total equity</b>	<b>221.5</b>	<b>243.3</b>	<b>218.1</b>
Long-term interest-bearing liabilities	193.0	248.9	254.7
Deferred tax liabilities	21.5	23.0	21.0
Other long-term liabilities	13.2	18.7	15.7
<b>Non-current liabilities</b>	<b>227.7</b>	<b>290.6</b>	<b>291.4</b>
Current lease liabilities	9.3	9.3	10.2
Current income tax liabilities	3.5	0.5	4.2
Trade payables	106.7	136.6	116.6
Other current payables	77.5	87.9	81.0
<b>Current liabilities</b>	<b>197.0</b>	<b>234.3</b>	<b>212.0</b>
<b>Total liabilities</b>	<b>424.7</b>	<b>524.9</b>	<b>503.4</b>
<b>Total equity and liabilities</b>	<b>646.2</b>	<b>768.2</b>	<b>721.5</b>

# CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

## STATEMENT OF CHANGE IN EQUITY

(MEUR)	30.06.24	30.06.23	31.12.23
<b>Equity as of start of period</b>	<b>218.1</b>	<b>280.5</b>	<b>280.5</b>
Net profit / (loss) for the period	3.3	(38.6)	(59.1)
Translation differences	3.1	3.4	(0.5)
Remeasurement of the net pension benefit obligation	0.0	0.0	(0.5)
Tax on remeasurement of the net pension benefit obligation	0.0	0.0	0.1
<b>Total comprehensive income</b>	<b>6.4</b>	<b>(35.2)</b>	<b>(60.0)</b>
Stock-based compensation	0.0	0.3	1.5
Purchase of treasury shares	(2.4)	(2.3)	(3.9)
Dividends allocated or paid	(0.6)	0.0	0.0
<b>Equity as of end of period</b>	<b>221.5</b>	<b>243.3</b>	<b>218.1</b>

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## NOTE 1 – DISCLOSURES

### GENERAL INFORMATION

Kongsberg Automotive ASA and its subsidiaries develop, manufacture and sell products to the automotive and commercial vehicle industry globally. Kongsberg Automotive ASA is a limited liability company, which is listed on the Oslo Stock Exchange. The consolidated interim financial statements are not audited.

### BASIS OF PREPARATION

This condensed consolidated interim financial information, for the year ended June 30, 2024, has been prepared in accordance with IAS 34 "Interim financial reporting". The condensed consolidated interim financial information should be read in conjunction with the annual financial statements for the year ended on December 31, 2023, which have been prepared in accordance with IFRS.

### ACCOUNTING POLICIES

The accounting policies are consistent with those of the annual financial statements for the year ended on December 31, 2023, as described in those annual financial statements. Taxes on income in the interim periods are accrued using the estimated effective tax rate.

### RISK AND UNCERTAINTIES

Risks and opportunities for the financial year are subject to a high level of uncertainty and are continuously monitored, evaluated and, if applicable, taken into account in planning during the year.

Due to the geopolitical risks, especially due to the Russia-Ukraine war, global macroeconomic risks have significantly increased and have led to further increases in costs for raw material, energy and transportation and considerably higher inflation rates worldwide than in comparable periods. Rising inflation rates could reduce purchasing power, adversely affect end customer behavior, and put a damper on demand on the products offered to customers.

The single most important risk that Kongsberg Automotive is exposed to is the development of demand in the end markets for light duty and commercial vehicles worldwide. As

Kongsberg Automotive operates in many countries, Kongsberg Automotive is vulnerable to currency risk. The most significant external currency exposure is associated with the USD exchange rate. As most of the revenues are earned from automotive OEMs and automotive Tier 1 and Tier 2 customers, the financial health of these automotive companies is critical to the credit risk.

On the supply side Kongsberg Automotive is exposed to risks related to the availability and cost of copper, brass, resin, zinc, aluminum, steel, and electronic components.

Kongsberg Automotive faces both climate change related risks and opportunities arising from climate change itself and from actions taken in climate change mitigating. These are embedded in the Company's risk management and business strategy. The financial implications of risks of climate change can be classified into two types of risks: physical risks and transition risks. Physical risks are related to the increase and severity of extreme weather and long-term climate changes. Transition risks are related to decarbonization including new technological advances and requirements imposed by regulators or public opinion. Both are considered in the Company's risk assessment as part of the annual budget process and in impairment testing at year end. There is still significant uncertainty about the future financial impact of climate risks and opportunities. During the budget process, several scenarios are considered, and the best estimate is included in the assumptions for the final budget. As of June 30, 2024, climate risk changes have not resulted in adjustments to the useful lives of long-term assets. Further, climate related risk considerations have not resulted in adjustments of the carrying amounts of assets or liabilities.

### SEASONALITY

The Group's quarterly results are to some extent influenced by seasonality. The seasonality is mainly driven by the vacation period in the third quarter and December each year having lower sales. Also, year-over-year seasonality differences may occur as a result of varying number of working days in each quarter.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## NOTE 2 – SEGMENT REPORTING (SECOND QUARTER 2024)

Q2 2024 (MEUR)	Drive Control Systems	Flow Control Systems	Corporate & Other	Total Core	Other operations	Total Group
<b>Revenues<sup>1</sup></b>	<b>95.6</b>	<b>79.7</b>	<b>0.0</b>	<b>175.3</b>	<b>34.0</b>	<b>209.3</b>
<b>EBITDA</b>	<b>8.3</b>	<b>8.5</b>	<b>(4.2)</b>	<b>12.6</b>	<b>0.9</b>	<b>13.5</b>
Depreciation	(3.3)	(3.2)	(0.4)	(6.9)	0.0	(6.9)
Amortization	(0.1)	(0.1)	0.0	(0.2)	0.0	(0.2)
<b>EBIT</b>	<b>4.9</b>	<b>5.3</b>	<b>(4.7)</b>	<b>5.5</b>	<b>0.9</b>	<b>6.4</b>
<i>Timing of revenue recognition</i>						
<b>Ownership transferred at a point in time</b>	<b>95.6</b>	<b>79.7</b>	<b>0.0</b>	<b>175.3</b>	<b>34.0</b>	<b>209.3</b>
<i>Assets and liabilities</i>						
Goodwill	16.4	56.0	0.0	72.4	0.0	72.4
Other intangible assets	5.1	3.4	0.1	8.6	0.2	8.8
Property, plant and equipment	52.4	62.2	1.8	116.4	0.0	116.4
Right-of-use assets	15.8	29.9	3.2	48.9	0.0	48.9
Inventories	36.8	45.7	0.0	82.5	15.4	97.9
Trade receivables	84.8	60.4	0.0	145.2	26.6	171.8
Other assets	0.4	3.5	0.0	3.9	0.8	4.7
<b>Segment assets</b>	<b>211.7</b>	<b>261.1</b>	<b>5.1</b>	<b>477.9</b>	<b>43.0</b>	<b>520.9</b>
Unallocated assets			125.3	125.3		125.3
<b>Total assets</b>	<b>211.7</b>	<b>261.1</b>	<b>130.4</b>	<b>603.2</b>	<b>43.0</b>	<b>646.2</b>
Trade payables	41.9	38.8	1.4	82.1	24.6	106.7
Accrued expenses	18.8	14.7	6.1	39.6	17.7	57.3
Provisions	7.6	0.2	3.9	11.7	2.7	14.4
Non-current lease interest-bearing liabilities	14.8	33.2	3.0	51.0	9.1	60.1
Current lease interest-bearing liabilities	3.7	2.3	0.4	6.4	2.9	9.3
<b>Segment liabilities</b>	<b>86.8</b>	<b>89.2</b>	<b>14.8</b>	<b>190.8</b>	<b>57.0</b>	<b>247.8</b>
Unallocated liabilities			176.9	176.9		176.9
<b>Total liabilities</b>	<b>86.8</b>	<b>89.2</b>	<b>191.7</b>	<b>367.7</b>	<b>57.0</b>	<b>424.7</b>
<b>Total equity</b>			<b>221.5</b>	<b>221.5</b>		<b>221.5</b>
<b>Total equity and liabilities</b>	<b>86.8</b>	<b>89.2</b>	<b>413.2</b>	<b>589.2</b>	<b>57.0</b>	<b>646.2</b>
Capital expenditure	(1.9)	(3.0)	(0.1)	(5.0)	0.0	(5.0)

<sup>1</sup> For segment reporting purposes revenues are only external revenues; related expenses are adjusted accordingly.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## NOTE 2 – SEGMENT REPORTING (SECOND QUARTER 2023)<sup>1</sup>

Q2 2023 (MEUR)	Drive Control Systems	Flow Control Systems	Corporate & Other	Total Core	Other operations	Total Group
<b>Revenues<sup>2</sup></b>	<b>105.3</b>	<b>79.1</b>	<b>0.0</b>	<b>184.4</b>	<b>40.1</b>	<b>224.5</b>
<b>EBITDA</b>	<b>3.5</b>	<b>9.7</b>	<b>(6.2)</b>	<b>7.0</b>	<b>(11.1)</b>	<b>(4.1)</b>
Depreciation	(3.3)	(2.9)	(0.4)	(6.6)	(1.6)	(8.2)
Amortization	(0.1)	(0.1)	0.0	(0.2)	0.0	(0.2)
<b>EBIT</b>	<b>0.1</b>	<b>6.7</b>	<b>(6.6)</b>	<b>0.2</b>	<b>(12.7)</b>	<b>(12.5)</b>
Impairment losses, thereof:	0.0	0.0	0.0	0.0	(10.6)	(10.6)
- allocated to Goodwill	0.0	0.0	0.0	0.0	0.0	0.0
- allocated to assets other than Goodwill	0.0	0.0	0.0	0.0	(10.6)	(10.6)
<i>Timing of revenue recognition</i>						
<b>Ownership transferred at a point in time</b>	<b>105.3</b>	<b>79.1</b>	<b>0.0</b>	<b>184.4</b>	<b>40.1</b>	<b>224.5</b>
<i>Assets and liabilities</i>						
Goodwill	16.3	55.3	0.0	71.6	0.0	71.6
Other intangible assets	4.2	1.5	0.0	5.7	0.4	6.1
Property, plant and equipment	51.5	58.6	1.0	111.1	10.8	121.9
Right-of-use assets	19.4	23.1	3.5	46.0	4.8	50.8
Inventories	38.9	44.5	0.0	83.4	19.5	102.9
Trade receivables	90.4	58.7	0.7	149.8	38.9	188.7
Other assets	1.5	4.5	0.0	6.0	1.6	7.6
<b>Segment assets</b>	<b>222.3</b>	<b>246.2</b>	<b>5.2</b>	<b>473.7</b>	<b>75.9</b>	<b>549.6</b>
Unallocated assets			218.6	218.6		218.6
<b>Total assets</b>	<b>222.3</b>	<b>246.2</b>	<b>223.8</b>	<b>692.3</b>	<b>75.9</b>	<b>768.2</b>
Trade payables	57.4	42.8	3.0	103.2	33.4	136.6
Accrued expenses	18.0	17.4	6.9	42.3	21.7	64.0
Provisions	10.6	0.2	2.7	13.5	0.7	14.2
Non-current lease liabilities	18.4	23.9	2.7	45.0	9.2	54.2
Current lease liabilities	3.1	2.0	1.2	6.3	3.0	9.3
<b>Segment liabilities</b>	<b>107.5</b>	<b>86.3</b>	<b>16.5</b>	<b>210.3</b>	<b>68.0</b>	<b>278.3</b>
Unallocated liabilities			246.6	246.6		246.6
<b>Total liabilities</b>	<b>107.5</b>	<b>86.3</b>	<b>263.1</b>	<b>456.9</b>	<b>68.0</b>	<b>524.9</b>
<b>Total equity</b>			<b>243.3</b>	<b>243.3</b>		<b>243.3</b>
<b>Total equity and liabilities</b>	<b>107.5</b>	<b>86.3</b>	<b>506.4</b>	<b>700.2</b>	<b>68.0</b>	<b>768.2</b>
Capital expenditure	(2.4)	(2.0)	0.0	(4.4)	(0.7)	(5.1)

<sup>1</sup> Figures presented in this table were restated following the adoption of a new segment structure.

<sup>2</sup> For segment reporting purposes revenues are only external revenues; related expenses are adjusted accordingly.



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## NOTE 3 – REVENUES AND NON-CURRENT ASSETS BY GEOGRAPHICAL LOCATION

### 3.1 REVENUES BY GEOGRAPHICAL LOCATION OF CUSTOMERS

(MEUR)	YTD 2024	%	YTD 2023	%
Europe	189.4	44.9%	215.6	47.6%
Northern America	146.4	34.7%	151.8	33.5%
Southern America	24.2	5.7%	22.6	5.0%
Asia	59.5	14.1%	60.6	13.4%
Other	1.8	0.4%	2.7	0.5%
<b>Total revenues</b>	<b>421.4</b>		<b>453.3</b>	

### 3.2 INTANGIBLE ASSETS, PROPERTY, PLANT AND EQUIPMENT (PP&E) AND RIGHT-OF USE ASSETS BY GEOGRAPHICAL LOCATION

(MEUR)	30.06.24	%	30.06.23	%
Europe	143.5	58.2%	137.9	55.1%
Northern America	81.5	33.0%	86.3	34.5%
Southern America	1.9	0.8%	3.0	1.2%
Asia	19.6	8.0%	23.2	9.3%
<b>Total intangible assets, PPE and RoU</b>	<b>246.5</b>		<b>250.4</b>	

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## NOTE 4 – INTEREST-BEARING LOANS AND BORROWINGS

### 4.1 INTEREST-BEARING LIABILITIES AS PRESENTED IN CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

(MEUR)	30.06.24	30.06.23	31.12.23
Long-term interest-bearing loan and borrowing	110.0	196.6	190.6
Capitalized arrangement fees	(2.0)	(1.9)	(1.3)
Drawn Securitization facility	25.0	0.0	0.0
IFRS 16 long-term lease liabilities	60.0	54.2	65.4
Current IFRS 16 long-term lease liabilities	9.3	9.3	10.2
Other current interest-bearing liabilities	0.0	0.0	0.0
<b>Total interest-bearing liabilities</b>	<b>202.3</b>	<b>258.2</b>	<b>264.9</b>

In Q2 2024, the previous senior secured five-year bonds with the net outstanding principal amount of MEUR 190.6 as of March 31, 2024, was settled and new senior secured four-year bonds with the principal amount of MEUR 110.0 were issued. The bond notes have an interest rate of 3M EURIBOR plus a margin of 5.25% (quarterly payable) and are listed on the Open Market of Frankfurt Stock Exchange and Oslo Stock Exchange.

#### Interest-bearing liabilities by currency

(MEUR)	30.06.24	30.06.23	31.12.23
EUR	171.0	230.2	228.3
USD	11.0	9.2	11.7
Other currencies	22.3	26.2	26.2
Capitalized arrangement fees	(2.0)	(1.9)	(1.3)
<b>Total interest-bearing liabilities</b>	<b>202.3</b>	<b>263.7</b>	<b>264.9</b>

### 4.2 LIQUIDITY RESERVE

The liquidity reserve of the Group consists of cash equivalents in addition to undrawn RCF and securitization facilities.

(MEUR)	30.06.24	30.06.23	31.12.23
Cash reserve	85.8	180.8	164.7
Restricted cash	(0.5)	(0.5)	(0.5)
Undrawn RCF facility <sup>1</sup>	15.0	50.0	30.0
Undrawn Securitization facility	0.0	25.0	25.0
<b>Liquidity reserve</b>	<b>100.3</b>	<b>255.3</b>	<b>219.2</b>

<sup>1</sup> In Q2 2024, the Revolving Credit has been decreased from MEUR 30.0 to MEUR 15.0 as part of the issuance of the new senior secured four-year bonds.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## NOTE 5 – NET FINANCIAL ITEMS

(MEUR)	Q2 2024	Q2 2023	YTD 2024	YTD 2023	FY 2023
Interest income	0.6	0.5	1.1	0.9	2.0
Interest expenses	(3.7)	(3.8)	(7.1)	(7.6)	(15.1)
Foreign currency gains (losses) <sup>1</sup>	3.5	(3.5)	1.0	(14.7)	(13.3)
Change in fair value of cash equivalents	0.0	0.8	0.0	1.3	2.8
Account receivables securitization - Expenses	(0.2)	(0.3)	(0.3)	(0.5)	(0.9)
Other financial items	(1.1)	(0.4)	(1.1)	(0.5)	(1.5)
<b>Net financial items</b>	<b>(0.9)</b>	<b>(6.7)</b>	<b>(6.4)</b>	<b>(21.1)</b>	<b>(26.0)</b>

<sup>1</sup> Is made up of unrealized currency gain of MEUR 3.5 in Q2 2024 (Q2 2023: realized currency loss of MEUR 3.6 and unrealized currency gain of MEUR 0.1)

## NOTE 6 – SUBSEQUENT EVENTS

No significant subsequent events are to be reported.

## RESPONSIBILITY STATEMENT

We confirm, to the best of our knowledge, that the condensed set of consolidated financial statements for the period January 1, 2024, to June 30, 2024, has been prepared in accordance with IAS34 – Interim Financial Reporting, and gives a true and fair view of Kongsberg Automotive ASA and its Group companies’ assets, liabilities, financial position and profit or loss as a whole.

We also confirm, to the best of our knowledge, that the interim management report includes a fair review of important events that have occurred during the first six months of the financial year 2024 and their impact on the condensed set of consolidated financial statements, a description of the principal risks and uncertainties for the remaining six months of the financial year, and major related parties’ transactions.

Kongsberg, August 07, 2024

-----  
Peter Thostrup  
Chairman  
(Sign.)

-----  
Erik Volden  
Board member  
(Sign.)

-----  
Siw Reidun Wærås  
Employee representative  
(Sign.)

-----  
Christina Hallin  
Board member  
(Sign.)

-----  
Bjørn Ivan Ødegård  
Employee representative  
(Sign.)

-----  
Brian Kristoffersen  
Board member  
(Sign.)

-----  
Junyang (Jenny) Shao  
Board member  
(Sign.)

-----  
Knut Magne Alfsvåg  
Employee representative  
(Sign.)

-----  
Linda Nyquist-Evenrud  
President and CEO  
(Sign.)

## ALTERNATIVE PERFORMANCE MEASURES (APM)

This section describes the non-GAAP financial measures that are used in this report and in the quarterly presentation.

The following measures are neither defined nor specified in the applicable financial reporting framework of IFRS. They may be considered as non-GAAP financial measures that may include or exclude amounts that are calculated and presented according to IFRS.

- > Operating profit (loss)- EBIT/Adjusted EBIT
  - > EBITDA/Adjusted EBITDA
  - > Adjusting and restructuring per segment
  - > Operating revenues at constant currencies
  - > New Business Wins
- > Free cash flow
  - > NIBD
  - > Capital employed
  - > ROCE (last twelve months)

### OPERATING PROFIT (LOSS) - EBIT/ADJUSTED EBIT

EBIT, earnings before interest and tax, is defined as the earnings excluding the effects of how the operations were financed, taxed, and excluding foreign exchange gains & losses. Adjusted EBIT is defined as EBIT excluding unusual or non-recurring items as well as restructuring items. Restructuring items include severance costs related to the overhead cost optimization program and rightsizing of a plant within Driveline business.

EBIT is used as a measure of operational profitability. Consequently, the Group also reports the adjusted EBIT, which is the EBIT excluding restructuring items and impairment losses.

(MEUR)	Q2 2024	Q2 2023	YTD 2024	YTD 2023	FY 2023
<b>Operating profit / EBIT</b>	<b>6.4</b>	<b>(12.5)</b>	<b>16.5</b>	<b>(8.9)</b>	<b>(19.7)</b>
Impairment losses	0.0	10.6	0.0	10.6	27.0
Other adjusting and restructuring items	1.5	2.2	3.0	2.7	16.4
<b>Adjusted EBIT</b>	<b>7.9</b>	<b>0.3</b>	<b>19.5</b>	<b>4.4</b>	<b>23.7</b>

### EBITDA/ADJUSTED EBITDA

EBITDA is defined as EBIT (previously defined) before depreciation and amortization. Adjusted EBITDA is therefore EBITDA excluding restructuring items and impairment losses.

EBITDA is used as an additional measure of the Group's operational profitability, excluding the impact from depreciation and amortization.

(MEUR)	Q2 2024	Q2 2023	YTD 2024	YTD 2023	FY 2023
<b>Operating profit / EBIT</b>	<b>6.4</b>	<b>(12.6)</b>	<b>16.5</b>	<b>(8.9)</b>	<b>(19.7)</b>
Depreciation	6.9	8.2	13.9	16.3	31.9
Amortization	0.2	0.3	0.4	0.5	1.0
<b>EBITDA</b>	<b>13.5</b>	<b>(4.1)</b>	<b>30.8</b>	<b>7.9</b>	<b>13.2</b>
Impairment losses	0.0	10.6	0.0	10.6	27.0
Other adjusting and restructuring items	1.5	2.2	3.0	2.7	16.4
<b>Adjusted EBITDA</b>	<b>15.0</b>	<b>8.7</b>	<b>33.8</b>	<b>21.2</b>	<b>56.6</b>

## ALTERNATIVE PERFORMANCE MEASURES (APM)

### ADJUSTING AND RESTRUCTURING ITEMS PER SEGMENT

(MEUR)	Q2 2024	Q2 2023	YTD 2024	YTD 2023	FY 2023
Drive Control Systems	0.1	0.2	0.4	0.4	1.3
Flow Control Systems	0.2	0.1	0.2	0.1	0.6
Corporate & Other	0.4	1.1	0.7	1.3	7.2
Other operations (Driveline excl. Electronic Actuators)	0.8	0.8	1.7	0.9	7.3
<b>Adjusting and restructuring items Total</b>	<b>1.5</b>	<b>2.2</b>	<b>3.0</b>	<b>2.7</b>	<b>16.4</b>

### OPERATING REVENUES AT CONSTANT CURRENCIES

To measure the actual revenue development and to have it comparable year-over-year, currency translation effects are excluded. For that reason, the actual operating revenues are remeasured at prior year's currency rates (constant currencies).

#### Q2 2024

(MEUR)	Drive Control Systems	Flow Control Systems	Other operations	GROUP
<b>Operating revenues (incl. currency effects)</b>	<b>95.6</b>	<b>79.7</b>	<b>34.0</b>	<b>209.3</b>
Currency translation effects	0.6	0.7	0.1	1.4
<b>Operating revenues (excl. currency effects)</b>	<b>95.0</b>	<b>79.0</b>	<b>33.9</b>	<b>207.9</b>

### NEW BUSINESS WINS

New Business Wins are reported when KA is awarded: (1) new contracts, (2) extension of the existing contract, (3) price or volume adjustments to existing programs/business awards. Annualized New Business Wins are calculated as the annual average of total awarded future revenues, disregarding the sales in years of start of production and end of production.

#### QTD Q2 2024

(MEUR)	Drive Control Systems	Flow Control Systems	Other operations	GROUP
<b>Annualized New Business Wins</b>	125.2	21.5	0.0	<b>146.7</b>
<b>Lifetime New Business Wins</b>	624.5	70.3	0.0	<b>694.8</b>

#### YTD Q2 2024

(MEUR)	Drive Control Systems	Flow Control Systems	Other operations	GROUP
<b>Annualized New Business Wins</b>	204.6	63.9	4.4	<b>272.9</b>
<b>Lifetime New Business Wins</b>	907.3	214.9	22.5	<b>1,144.8</b>

## ALTERNATIVE PERFORMANCE MEASURES (APM)

### NEW BUSINESS WINS (CONTINUED)

#### QTD Q2 2023

(MEUR)	Drive Control Systems	Flow Control Systems	Other operations	GROUP
<b>Annualized New Business Wins</b>	45.4	24.4	6.8	<b>76.6</b>
<b>Lifetime New Business Wins</b>	54.2	81.0	36.3	<b>171.5</b>

#### YTD Q2 2023

(MEUR)	Drive Control Systems	Flow Control Systems	Other operations	GROUP
<b>Annualized New Business Wins</b>	65.5	46.3	36.0	<b>147.9</b>
<b>Lifetime New Business Wins</b>	95.5	142.9	131.1	<b>369.5</b>

### FREE CASH FLOW

Free Cash Flow is measured based on sum of cash flow from operating activities, investing activities, financial activities, and currency and translation effects on cash flow (together described as Change in cash), excluding net draw-down/repayment of debt and proceeds received from capital increase/purchase of treasury shares.

The Group considers that this measurement illustrates the amount of additional cash generated by the Group that it has at its disposal to pursue additional investments or to repay debt.

(MEUR)	Q2 2024	Q2 2023	YTD 2024	YTD 2023	FY 2023
Cash flow - Operating activities	8.7	12.7	6.8	3.1	21.5
Cash flow - Investing activities	(4.1)	(4.6)	(9.4)	(10.8)	(29.1)
Cash flow - Financing activities	(65.3)	(7.6)	(76.2)	(19.1)	(39.7)
Currency and translation effects on cash flow	(1.2)	0.6	(0.1)	(5.3)	(0.9)
<i>Add back / less:</i>					
Purchase of treasury shares	0.0	0.0	2.4	2.5	3.9
Net proceeds from issuing the new bond notes	(108.0)	0.0	(108.0)	0.0	0.0
Payments for redemption of the old bond notes	190.2	3.5	190.2	3.5	9.4
Securitization facility drawn / (repaid)	(25.0)	0.0	(25.0)	0.0	0.0
Other debt drawn / (repaid)	0.3	0.2	0.0	0.1	0.0
<b>Free Cash Flow</b>	<b>(4.4)</b>	<b>4.8</b>	<b>(19.3)</b>	<b>(26.0)</b>	<b>(34.9)</b>

The payment for interests on old bond notes amounting to MEUR 4.5 was advanced to Q2 2024 (as part of the repayment of the old bond notes) that would be typically made in Q3 2024.

## ALTERNATIVE PERFORMANCE MEASURES (APM)

### NIBD

Net Interest-Bearing Debt (NIBD) consists of interest-bearing liabilities less cash and cash equivalents.

The Group risk of default and financial strength is measured by the net interest-bearing debt. It shows the Group's financial position and leverage. As cash and cash equivalents can be used to repay debt, NIBD shows the net overall financial position of the Group.

(MEUR)	30.06.24	30.06.23	31.12.23
Long-term interest-bearing liabilities	193.0	248.9	254.7
Other short-term interest-bearing liabilities	9.3	9.3	10.2
Cash and cash equivalents	(85.8)	(180.8)	(164.7)
<b>Net Interest Bearing Debt</b>	<b>116.5</b>	<b>77.4</b>	<b>100.2</b>

### CAPITAL EMPLOYED

Capital employed includes the total sum of intangible assets, property, plant and equipment, net working capital (which in turn comprises trade receivables and inventories net of trade payables) and right-of-use assets less lease liabilities.

Capital Employed is measured to assess how much capital is needed for the operations/business to function and evaluate if the capital employed can be utilized more efficiently and/or if operations should be discontinued.

(MEUR)	30.06.24	30.06.23*	31.12.23*
Intangible assets	81.2	77.7	78.3
Property, plant and equipment	116.4	121.9	115.8
Right-of-use assets	48.9	50.8	55.0
Net working capital (Inventories and Trade Receivables less Trade Payables)	163.0	155.0	146.4
IFRS 16 lease liabilities (long-term and short-term)	(69.3)	(63.5)	(75.6)
<b>Capital Employed</b>	<b>340.2</b>	<b>341.9</b>	<b>319.9</b>

\* Adjusted to align with the updated capital employed definition starting Q1 2024

### ROCE (LAST TWELVE MONTHS)

Return on Capital Employed (ROCE) is based on EBIT for the last twelve months divided by the average of capital employed at the beginning and end of the period.

Return on Capital Employed is used to measure the return on the capital employed and is used to assess the company's profitability and efficiency during the period under review. The Group considers this ratio as appropriate to measure the return of the period.

(MEUR)		Q2 2024		Q2 2023*	FY 2023*
Capital employed beginning <sup>1</sup>	01.07.2023	341.9	01.07.2022	415.2	344.4
Capital employed at end <sup>2</sup>	30.06.2024	340.2	30.06.2023	341.9	319.9
EBIT (LTM) <sup>3</sup>		5.7		43.8	(19.8)
<b>ROCE <sup>(3 / (1+2)) * 200%</sup></b>		<b>1.7%</b>		<b>11.6%</b>	<b>-5.9%</b>

\* Adjusted to align with the updated capital employed definition and transition from adjusted EBIT to EBIT starting Q1 2024



## OTHER COMPANY INFORMATION

### THE BOARD OF DIRECTORS

Peter Thostrup	Chairman
Christina Hallin	Shareholder elected
Erik Volden	Shareholder elected
Junyang (Jenny) Shao	Shareholder elected
Brian Kristoffersen	Shareholder elected
Siw Reidun Wærås	Employee elected
Bjørn Ivan Ødegård	Employee elected
Knut Magne Alfsvåg	Employee elected

### EXECUTIVE COMMITTEE

Linda Nyquist-Evenrud	President & CEO
Christian Johansson	Executive Vice President & CFO (effective from 03.06.2024)
Frank Heffter	Executive Vice President & CFO (until 02.06.2024)
Dr. Christian Amsel	Executive Vice President & CTO
David Redfearn	Executive Vice President & CSO
Oscar Jaeger	Executive Vice President & CHRO
Robert Pigg	Executive Vice President, Drive Control Systems
Eduardo Pamies	Executive Vice President, Flow Control Systems
Dzeki Mackinovski	Executive Vice President, Purchasing
Henrik Ruud	Executive Vice President, Information Systems and Technology
Jon Munthe	General Counsel

### INVESTOR RELATIONS & CORPORATE COMMUNICATION

Investor Relations [investor.relations@ka-group.com](mailto:investor.relations@ka-group.com)

Corporate Communication Therese Skurdal +47 982 14 059 or [corporate.communications@ka-group.com](mailto:corporate.communications@ka-group.com)

### FINANCIAL CALENDAR

Next quarterly report and financial statements will be published on the following days:

3<sup>rd</sup> quarter 2024

November 05, 2024

#### Headquarters

Kongsberg Automotive ASA

Dyrmyrgata 48

3601 Kongsberg, Norway

Phone +47 32 77 05 00

[www.kongsbergautomotive.com](http://www.kongsbergautomotive.com)



**KONGSBERG**  
AUTOMOTIVE

**KONGSBERG AUTOMOTIVE ASA**

**DYRMYRGATA 48**

**3601 KONGSBERG, NORWAY**

**T: +47 32 77 05 00**

**[WWW.KONGSBERGAUTOMOTIVE.COM](http://WWW.KONGSBERGAUTOMOTIVE.COM)**